GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3012
ANSWERED ON:02.08.2002
IMPEDIMENTS TO INDIA S EXPORT
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India came in for high praise by the WTO for its reforms process and trade liberalisation with an annual growth of 6%;

(b) whether WTO also called upon developed and other countries for removal of impediments to India`s exports, especially agricultural exports;

(c) if so, the specific impediments came to adverse notice of WTO and the response of developed countries thereto; and

(d) the steps being taken by the Government to have such impediments removed?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a), (b): The third trade policy review of India conducted on 19 and 21 June 2002 attracted a high level of participation and interest by the WTO Members. In her concluding remarks, the Chairperson of the WTO Trade Policy Review Body stated that this review meeting had led to a much better understanding of India`s trade policies and summed up the proceedings as follows: `...The large number of advance questions, numerous interventions (some 30) and the high level of attendance indicate the important role that India plays at the WTO. India was commended for its reform process, including trade liberalisation, and simplification of the trade and investment regime. However, I think we all agree that India needs to do more if growth targets are to be met and a serious dent is to be made in the still high rate of poverty. In this regard, Members gave India their full support for its efforts to reform the economy. Many Members added that these efforts would be greatly enhanced by steps on the part of India`s trading partners to reduce, if not remove, their impediments to India`s exports, especially in the context of new negotiations in line with the Doha Development Agenda (DDA). India has clearly stated its support for the WTO and the DDA but considers that if further progress is to be made, the onus remains on the developed countries to keep the promises made in Doha. This view was endorsed by many other Members, who look to India for leadership in these negotiations.`

(c), (d): The trade policy review of India was primarily based upon two Reports: one prepared by the WTO Secretariat and the other prepared by the Government of India. Both these Reports have a section on impediments to India`s exports, including agricultural exports, on account of non-tariff measures maintained mainly for Sanitary and Phytosanitary (SPS)/Technical Barriers to Trade (TBT) and tariff rate quota reasons. The purpose of the Trade Policy Review Mechanism (TPRM) in the WTO is to contribute to improved adherence by all Members to rules, disciplines, and commitments made under the Multilateral Trade Agreements and is not intended to serve as a basis for the enforcement of specific obligations under the Agreements or for dispute settlement procedures. Such issues are being pursued in relevant WTO bodies and in other appropriate fora.